

Budget Development



How will you use the money set aside for
your CWA 319 Program?

- Base amount is set
 - \$50,000
 - \$30,000
- Must include match amount
 - \$5,555
 - \$3,333

How much money do you need, to do what, by when?

- Estimating costs
 - Equipment, supplies, contractual, staffing
- Expenditure breakdown
- Budget Justification
- Realistic Scheduling for completing activities

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Start with the Basics

- **Budget Development**
 - Know your base funding or maximum project funding
\$150,000 federal funds – EPA CWA 319 Projects
 - Know your Object Class Categories
 - Make realistic estimates
 - Use the spread sheet
 - Check and double check the match and IDC, if applicable and eligible

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Important Budget Items

- **Budget and Work Plan Components**
 - Do they complement each other or make it confusing?
- **Calculate Total costs** of project
- **Appropriate Match**
- **Make it easy to review**
 - Use tables
 - Include narrative details by category
 - Clearly describe match and need for IDC

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Important Budget Items (con't)

- Be as specific as you can relating the budget to each work plan component
- Does your budget cover all the components?
- Make the budget relate to the schedule for completing activities in the workplan

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Example Budget

Activity	Funds
Personnel (364 hours/9 weeks)	\$7,280
Fringe (25%)	\$1,820
Other	\$2,000
Contractual	\$46,370
Supplies (includes monitoring)	\$24,776
Direct Costs	\$82,246
Total EPA Funds Requested	\$82,246
Tribal In-Kind Match (10%)	\$9,138
Total Project	\$91,384

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Budget Narrative

- **Personnel/Fringe:**
 - Current CWA 319 Coordinator will use 0.18 FTE to oversee administration of the project and development and implementation of the monitoring plan.
 - Fringe is calculated at 25% of Personnel costs
- **Supplies:**
 - Fencing materials - \$2,200 (\$5.50/foot for 400 feet)
 - Off Stream Water Development materials - \$1,378
 - Vegetation/Bank Stabilization - \$17,400
 - Water Quality Monitoring - \$20,082 (see SAP)

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Budget Narrative

- **Contractual**

Installation of off-stream water development, stream restoration engineering tasks, installation of fencing.

- Fencing Installation - \$3,800
- Off Stream Water Development Installation - \$1,510
- Preliminary Engineering Report - \$15,000
- Final stream design and actual stream restoration work - \$26,060

- **Other**

- Transportation to site
 - \$1,500 (fuel)
- Maintenance of monitors
 - \$500

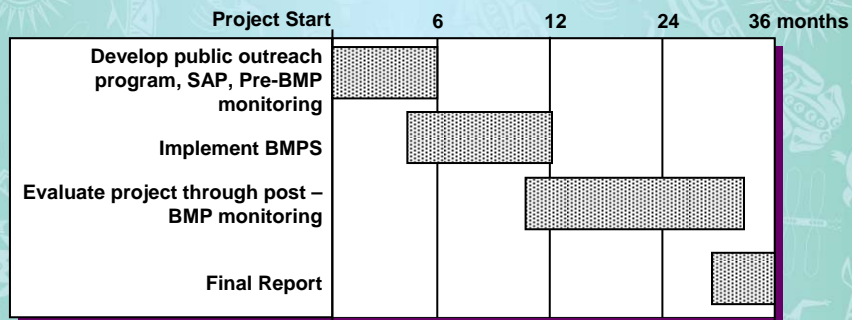
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Estimating Costs

- Contact local suppliers and contractors
- Check NRCS website – eFOTG for practice standards, example contract language and O&M guidance
 - Section IV – Practice Standards and Specifications
 - www.sd.nrcs.usda.gov
- Estimate changes in market – can build in a small percentage increase for activities that will take place a year or more from proposal development
- Talk to other Tribal Coordinators, NRCS liaisons, and natural resource staff about BMP cost estimates
- Take notes from previous projects – lessons learned

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Example Schedule



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Budget Calculations

- Recipient Match
- Total Project Costs
- Total Direct Costs
- Indirect Cost Rates and Indirect Costs Estimates

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Calculate Recipient Match Example 1

- Federal Share divided by Federal Percentage equals “Total”
- “Total” minus Federal Share equals Recipient Share
- Example: $\$50,000 \text{ (Fed Share)} / 90\% = 50,000 / 0.90 = \$55,555 \text{ (Total)}$
 $\$55,555 \text{ (Total)} - \$50,000 \text{ (Fed Share)} = \$5,555 \text{ (Recipient Share or 10\% of Total)}$

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Check

$$\begin{aligned} \$55,555 \text{ (Total)} \times 10\% \text{ (Recipient Share)} &= \\ \$5,555 \text{ (Recipient Match)} \end{aligned}$$

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Calculate Recipient Match Example 2

- Federal Share divided by Federal Percentage equals “Total”
- “Total” minus Federal Share equals Recipient Share
- Example: $\$150,000 \text{ (Fed Share)} / 90\% =$
 $150,000 / 0.90 = \$166,667 \text{ (Total)}$

$$\begin{aligned} \$166,667 \text{ (Total)} - \$150,000 \text{ (Fed Share)} &= \\ \$16,667 \text{ (Recipient Share or 10\% of Total)} \end{aligned}$$

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What is volunteer time worth?

- When using volunteer time or land owner time in your non-cash match you can estimate the dollar value of volunteer time.
- Visit the Independent Sector website

www.independentsector.org/programs/research/volunteer_time.html

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What is volunteer time worth?

- Have volunteers, land owners, and others keep track of time
- Multiply number of hours worked by the national estimated dollar value or state value.
- 2007 National value - \$19.51/hour
- SD 2006 state value - \$13.72/hour
- MT 2006 state value - \$13.51/hour

www.independentsector.org/programs/research/volunteer_time.html

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Example Budget

Activity	Funds
Personnel	\$11,856
Fringe (26.5%)	\$3,142
Other	\$4,800
Contractual	\$78,003
Supplies (includes monitoring)	\$38,784
Direct Costs	\$153,252
Total EPA funds requested	\$150,000
Tribal Match (10%)	\$16,667
Indirect Cost (22.9%)	\$13,415
Total Project	\$166,667 ¹⁹

Calculate Indirect Cost Amount based on Total Direct Cost

1. Total divided by Indirect Cost Rate + 1
2. Total minus Total Direct Cost equal Indirect Cost

Example:

$\$88,889 \text{ (Total)} / 22.9 \% \text{ Rate} + 1 =$

$88,889 / 0.229 + 1 =$

$88,889 / 1.229 =$

$\$72,326 \text{ (Total Direct costs)}$

$\$88,889 \text{ (Total)} - \$72,326 \text{ (Total Direct)} =$

$\$16,563 \text{ (Indirect Cost Amount)}$

Check

$\$72,326 \text{ (Total Direct)} \times 22.9\% \text{ (IDC Rate)} =$
 $\$16,563 \text{ (Indirect Cost Amount)}$

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Budget Tips

- Be **specific**: give details like fringe rates, IDC rates
- Be **accurate**: check calculations, use spreadsheets
- Be **clear**: make it easy to review and see what you're proposing
- Be **realistic**: can you complete all the activities in the proposed timeframe with the proposed budget

No page limit - give us the details!

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